

**CONSOLIDATED PENSION TRUST
INVESTMENT PERFORMANCE REPORT AS OF DECEMBER 31, 2004**

	December-04							September-04					Current FYTD		Prior Year FY04		3 Years Ended	5 Years Ended
	Allocation			Returns-Quarter		Returns-Month		Allocation			Returns-Quarter		Returns		Returns		6/30/2004	6/30/2004
	Market Value	Actual	Policy(1)	Gross	Net	Gross	Net	Market Value	Actual	Policy(1)	Gross	Net	Gross	Net	Gross	Net		
LARGE CAP DOMESTIC EQUITY																		
Structured Growth																		
LA Capital	135,080,672	4.5%	4.5%	10.61%	10.52%	4.81%	4.78%	122,177,966	4.4%	4.5%	-4.09%	-4.17%	6.09%	5.92%	N/A	N/A	N/A	N/A
Total Structured Growth	135,080,672	4.5%	4.5%	10.61%	10.52%	4.81%	4.78%	122,177,966	4.4%	4.5%	-4.09%	-4.17%	6.09%	5.92%	19.57%	19.20%	-5.87%	-7.07%
Russell 1000 Growth				9.17%	9.17%	3.92%	3.92%				-5.23%	-5.23%	3.47%	3.47%	17.88%	17.88%	-3.74%	-6.48%
Structured Value																		
LSV	146,925,110	4.9%	4.5%	9.21%	9.12%	2.83%	2.80%	134,658,458	4.8%	4.5%	3.19%	3.11%	12.69%	12.51%	29.86%	29.44%	9.20%	8.31%
Russell 1000 Value				10.38%	10.38%	3.35%	3.35%				1.54%	1.54%	12.08%	12.08%	21.13%	21.13%	2.96%	0.64%
Enhanced Russell 1000 Index																		
LA Capital	178,624,584	5.9%	6.0%	9.23%	9.18%	3.61%	3.59%	163,611,628	5.9%	6.0%	-2.20%	-2.24%	6.83%	6.74%	18.80%	18.59%	-0.17%	N/A
Russell 1000				9.80%	9.80%	3.62%	3.62%				-1.81%	-1.81%	7.81%	7.81%	19.48%	19.48%	-0.32%	N/A
Enhanced S&P 500 Index																		
Northern Trust	180,047,566	6.0%	6.0%	9.24%	9.18%	3.31%	3.29%	164,905,754	5.9%	6.0%	-2.12%	-2.17%	6.92%	6.81%	19.24%	19.00%	-0.31%	N/A
Strong	-	0.0%	0.0%	N/A	N/A	N/A	N/A	137	0.0%	0.0%	N/A	N/A	N/A	N/A	21.40%	21.13%	-0.06%	N/A
Westridge	179,572,892	6.0%	6.0%	9.57%	9.50%	3.47%	3.44%	164,286,394	5.9%	6.0%	-1.87%	-1.94%	7.53%	7.38%	19.64%	19.30%	-0.36%	N/A
Total Enhanced S&P 500 Index	359,620,458	12.0%	12.0%	9.40%	9.34%	3.39%	3.37%	329,192,285	11.8%	12.0%	-2.07%	-2.13%	7.14%	7.01%	20.09%	19.81%	-0.24%	N/A
S&P 500				9.23%	9.23%	3.40%	3.40%				-1.87%	-1.87%	7.19%	7.19%	19.11%	19.11%	-0.69%	N/A
S&P 500 Index																		
State Street	91,478,568	3.0%	3.0%	9.24%	9.23%	3.41%	3.41%	83,744,625	3.0%	3.0%	-1.86%	-1.87%	7.21%	7.19%	19.10%	19.08%	-0.67%	-2.17%
S&P 500				9.23%	9.23%	3.40%	3.40%				-1.87%	-1.87%	7.19%	7.19%	19.11%	19.11%	-0.69%	-2.20%
TOTAL LARGE CAP DOMESTIC EQUITY	911,729,392	30.3%	30.1%	9.50%	9.44%	3.55%	3.53%	833,384,962	30.0%	30.1%	-1.53%	-1.59%	7.82%	7.70%	20.65%	20.38%	0.08%	-2.14%
S&P 500				9.23%	9.23%	3.40%	3.40%				-1.87%	-1.87%	7.19%	7.19%	19.11%	19.11%	-0.69%	-2.20%
SMALL CAP DOMESTIC EQUITY																		
Manager-of-Managers																		
SEI	325,520,635	10.8%	9.9%	14.96%	14.79%	3.93%	3.88%	283,342,400	10.2%	9.9%	-3.45%	-3.59%	11.00%	10.67%	34.13%	33.33%	5.76%	N/A
Russell 2000 + 200bp (annually)				14.64%	14.64%	3.13%	3.13%				-2.36%	-2.36%	11.93%	11.93%	35.99%	35.99%	8.43%	N/A
TOTAL SMALL CAP DOMESTIC EQUITY	325,520,635	10.8%	9.9%	14.96%	14.79%	3.93%	3.88%	283,342,400	10.2%	9.9%	-3.45%	-3.59%	11.00%	10.67%	34.13%	33.33%	5.76%	6.81%
Russell 2000				14.09%	14.09%	2.96%	2.96%				-2.86%	-2.86%	10.83%	10.83%	33.36%	33.36%	6.24%	6.63%
INTERNATIONAL EQUITY																		
Large Cap - Core																		
State Street	48,145,976	1.6%	1.5%	10.28%	10.22%	4.36%	4.34%	83,378,710	3.0%	2.9%	-1.18%	-1.24%	8.98%	8.85%	27.73%	27.44%	0.42%	-1.44%
MSCI EAFE (2)				11.69%	11.69%	4.39%	4.39%				-0.72%	-0.72%	10.89%	10.89%	26.98%	26.98%	-1.27%	-1.15%
Large Cap - Active																		
Capital Guardian	137,706,221	4.6%	4.4%	10.43%	10.34%	3.73%	3.70%	200,589,805	7.2%	7.3%	-1.39%	-1.48%	8.89%	8.71%	25.82%	25.40%	-1.15%	1.54%
LSV	130,949,626	4.4%	4.4%	N/A	N/A	4.71%	4.67%	-	0.0%	0.0%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Transition Account	(17,401)	0.0%	0.0%	N/A	N/A	N/A	N/A	-	0.0%	0.0%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Bank of Ireland	47,538,126	1.6%	1.5%	16.18%	16.02%	5.61%	5.56%	40,979,689	1.5%	1.5%	-0.92%	-1.07%	15.11%	14.78%	24.33%	23.61%	N/A	N/A
Total Large Cap - Active	316,176,572	10.5%	10.3%	11.74%	11.63%	4.37%	4.34%	241,569,494	8.7%	8.8%	-1.31%	-1.41%	10.27%	10.06%	25.57%	25.11%	-0.79%	1.76%
MSCI EAFE - 50% Hedged				11.11%	11.11%	3.85%	3.85%				-0.72%	-0.72%	10.31%	10.31%	26.98%	26.98%	-1.27%	-1.15%
Small Cap - Active																		
Lazard	46,416,442	1.5%	1.5%	16.29%	16.15%	4.41%	4.36%	43,813,581	1.6%	1.5%	0.88%	0.76%	17.32%	17.03%	45.11%	44.40%	N/A	N/A
Wellington	45,439,833	1.5%	1.5%	13.30%	13.12%	4.13%	4.08%	40,191,161	1.4%	1.5%	-4.47%	-4.63%	8.23%	7.89%	43.14%	42.26%	N/A	N/A
Total Small Cap - Active	91,856,275	3.1%	2.9%	14.79%	14.63%	4.27%	4.22%	84,004,742	3.0%	2.9%	-1.78%	-1.92%	12.75%	12.43%	44.05%	43.25%	N/A	N/A
Citigroup Broad Market Index < \$2BN				16.82%	16.82%	4.90%	4.90%				-0.82%	-0.82%	15.86%	15.86%	47.95%	47.95%	N/A	N/A
TOTAL INTERNATIONAL EQUITY	456,178,823	15.2%	14.7%	11.77%	11.66%	4.38%	4.34%	408,952,946	14.7%	14.7%	-1.38%	-1.47%	10.23%	10.01%	29.70%	29.19%	2.00%	1.63%
MSCI EAFE - 50% Hedged				11.11%	11.11%	3.85%	3.85%				-0.72%	-0.72%	10.31%	10.31%	26.98%	26.98%	-1.27%	-1.15%
EMERGING MARKETS EQUITY																		
Capital Guardian	160,004,504	5.3%	4.8%	15.61%	15.37%	5.20%	5.13%	138,597,601	5.0%	4.8%	7.77%	7.64%	24.60%	24.19%	28.53%	27.91%	8.93%	2.83%
MSCI Emerging Markets Free				17.27%	17.27%	4.81%	4.81%				8.25%	8.25%	26.95%	26.95%	33.50%	33.50%	13.09%	3.25%
DOMESTIC FIXED INCOME																		
Core Bond																		
Western Asset	49,127,721	1.6%	1.7%	1.30%	1.25%	1.05%	1.04%	48,520,768	1.7%	1.7%	3.72%	3.67%	5.06%	4.97%	2.20%	2.02%	8.00%	8.39%
Lehman Aggregate				0.96%	0.96%	0.92%	0.92%				3.20%	3.20%	4.18%	4.18%	0.32%	0.32%	6.35%	6.95%
Active Duration																		
WestAM (Criterion)	48,450,328	1.6%	1.7%	1.12%	1.06%	0.84%	0.82%	47,942,843	1.7%	1.7%	2.81%	2.75%	3.96%	3.83%	-0.01%	-0.25%	5.14%	6.43%
Lehman Aggregate				0.96%	0.96%	0.92%	0.92%				3.20%	3.20%	4.18%	4.18%	0.32%	0.32%	6.35%	6.95%
Index																		
Bank of ND	81,841,493	2.7%	3.0%	0.71%	0.70%	1.05%	1.04%	81,011,103	2.9%	2.9%	3.47%	3.46%	4.21%	4.18%	-0.97%	-1.03%	6.88%	7.04%
Bank of ND Match Loan CD Program	35,058,717	1.2%	1.2%	1.26%	1.26%	0.42%	0.42%	34,878,864	1.3%	1.3%	1.21%	1.21%	2.48%	2.48%	5.08%	5.08%	5.57%	5.70%
Total Index	116,900,210	3.9%	4.2%	0.88%	0.87%	0.86%	0.85%	115,889,967	4.2%	4.2%	3.06%	3.05%	3.97%	3.94%	0.28%	0.23%	6.79%	6.83%
Lehman Gov/Credit				0.80%	0.80%	1.06%	1.06%				3.56%	3.56%	4.39%	4.39%	-0.72%	-0.72%	6.73%	7.10%
Convertibles																		
TCW	51,136,322	1.7%	1.7%	8.63%	8.54%	3.04%	3.01%	47,122,599	1.7%	1.7%	-3.85%	-3.94%	4.45%	4.26%	17.17%	16.74%	0.51%	3.89%
First Boston Convertible Index				5.37%	5.37%	2.08%	2.08%				-1.05%	-1.05%	4.26%	4.26%	14.44%	14.44%	4.95%	5.78%

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	Allocation		Returns-Quarter		Returns-Month		Market Value	Allocation		Returns-Quarter		Returns		Returns		6/30/2004	6/30/2004	
	Actual	Policy(1)	Gross	Net	Gross	Net		Actual	Policy(1)	Gross	Net	Gross	Net	Gross	Net			
BBB Average Quality																		
Wells Capital (formerly Strong)	49,366,838	1.6%	1.7%	4.16%	3.94%	1.65%	1.58%	47,393,768	1.7%	1.7%	4.67%	4.62%	9.02%	8.73%	1.50%	1.29%	6.26%	7.23%
Lehman US Credit BAA				1.69%	1.69%	1.56%	1.56%				4.76%	4.76%	6.53%	6.53%	1.23%	1.23%	8.23%	6.60%
Timberland																		
RMK	60,512,153	2.0%	2.0%	8.25%	8.02%	8.38%	8.31%	56,520,765	2.0%	2.0%	4.08%	3.86%	12.67%	12.19%	11.41%	10.46%	N/A	N/A
TIR	108,062,868	3.6%	3.6%	0.65%	0.43%	0.35%	0.27%	107,936,957	3.9%	3.9%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Total Timberland	168,575,021	5.6%	5.6%	3.26%	3.04%	3.10%	3.03%	164,457,722	5.9%	5.9%	4.08%	3.86%	7.48%	7.01%	11.41%	10.46%	N/A	N/A
NCREIF Timberland Index				2.05%	2.05%	0.68%	0.68%				2.04%	2.04%	4.14%	4.14%	8.33%	8.33%	N/A	N/A
TOTAL DOMESTIC FIXED INCOME	483,556,440	16.1%	16.6%	2.81%	2.69%	1.94%	1.90%	471,327,667	17.0%	16.7%	2.79%	2.69%	5.68%	5.45%	5.45%	5.08%	6.35%	7.34%
Lehman Aggregate				0.96%	0.96%	0.92%	0.92%				3.20%	3.20%	4.18%	4.18%	0.32%	0.32%	6.35%	6.95%
HIGH YIELD BONDS																		
Loomis Sayles	88,334,257	2.9%	2.9%	7.26%	7.13%	2.63%	2.59%	84,410,330	3.0%	2.9%	6.36%	6.23%	14.07%	13.81%	N/A	N/A	N/A	N/A
Lehman High Yield Cash Pay Index				4.51%	4.51%	1.47%	1.47%				4.85%	4.85%	9.57%	9.57%	N/A	N/A	N/A	N/A
Sutter/Wells Capital	85,629,029	2.8%	2.9%	4.10%	3.98%	1.06%	1.02%	84,325,933	3.0%	2.9%	4.32%	4.20%	8.60%	8.35%	N/A	N/A	N/A	N/A
Merrill Lynch High Yield Master II Index				4.55%	4.55%	1.51%	1.51%				4.63%	4.63%	9.39%	9.39%	N/A	N/A	N/A	N/A
TOTAL HIGH YIELD BONDS	173,963,286	5.8%	5.8%	5.68%	5.56%	1.85%	1.81%	168,736,263	6.1%	5.8%	5.33%	5.21%	11.31%	11.06%	7.96%	7.69%	6.68%	2.79%
Lehman High Yield Bond Index				4.57%	4.57%	1.49%	1.49%				4.85%	4.85%	9.64%	9.64%	10.33%	10.33%	9.30%	4.78%
INTERNATIONAL FIXED INCOME																		
International Sovereign																		
UBS Global	75,374,620	2.5%	2.5%	10.52%	10.41%	1.83%	1.80%	68,266,260	2.5%	2.5%	3.16%	3.06%	14.01%	13.79%	8.29%	7.86%	14.20%	6.47%
Citigroup Non-US Gov't Bond Index (3)				10.63%	10.63%	1.89%	1.89%				3.29%	3.29%	14.27%	14.27%	7.59%	7.59%	13.65%	6.84%
International Core																		
Brandywine	75,424,824	2.5%	2.5%	9.33%	9.22%	1.92%	1.88%	70,279,825	2.5%	2.5%	4.84%	4.74%	14.62%	14.40%	10.09%	9.65%	N/A	N/A
Lehman Global Aggregate (ex-US)				10.66%	10.66%	1.92%	1.92%				3.49%	3.49%	14.52%	14.52%	5.20%	5.20%	N/A	N/A
TOTAL INTERNATIONAL FIXED INCOME	150,799,444	5.0%	5.0%	9.91%	9.81%	1.87%	1.84%	138,546,085	5.0%	5.0%	4.00%	3.90%	14.31%	14.09%	9.21%	8.78%	14.41%	6.59%
Citigroup Non-US Gov't Bond Index (3)				10.63%	10.63%	1.89%	1.89%				3.29%	3.29%	14.27%	14.27%	7.59%	7.59%	13.65%	6.84%
REAL ESTATE																		
JMB	-			-86.10%	-86.10%	-86.10%	-86.10%	20,107			16.49%	16.49%	-83.81%	-83.81%	1.45%	1.45%	-5.90%	-3.04%
INVESCO	85,473,921			-0.23%	-0.43%	0.07%	0.00%	82,276,103			-5.72%	-5.91%	-5.94%	-6.31%	7.56%	6.72%	5.80%	7.59%
J.P. Morgan	95,160,987			3.13%	2.85%	1.92%	1.83%	92,520,835			4.11%	3.83%	7.36%	6.80%	12.29%	11.11%	7.63%	9.54%
TOTAL REAL ESTATE	180,634,908	6.0%	6.8%	1.51%	1.27%	1.03%	0.95%	174,817,045	6.3%	6.8%	-0.64%	-0.88%	0.86%	0.39%	9.92%	8.87%	6.70%	8.55%
NCREIF Total Index				4.69%	4.69%	1.54%	1.54%				3.42%	3.42%	8.27%	8.27%	10.82%	10.82%	8.40%	9.33%
ALTERNATIVE INVESTMENTS																		
Brinson IVCF III	1,058,524			0.31%	0.31%	0.31%	0.31%	1,055,213			2.48%	2.48%	2.80%	2.80%	18.99%	16.88%	16.12%	56.18%
Brinson IVCF II	170,179			0.49%	0.49%	1.82%	1.82%	169,353			0.40%	0.40%	0.89%	0.89%	22.02%	19.39%	-7.72%	4.43%
Coral Partners II	121,653			-0.07%	-0.07%	0.00%	0.00%	120,310			-0.35%	-0.35%	-0.42%	-0.42%	19.27%	14.14%	-16.27%	-15.91%
Coral Partners V	11,410,073			-4.59%	-4.59%	0.00%	0.00%	11,958,979			6.37%	6.37%	1.49%	1.49%	-25.93%	-31.07%	-34.06%	-13.63%
Coral Partners V - Supplemental	1,347,540			2.90%	2.90%	0.00%	0.00%	1,422,238			2.37%	2.37%	5.34%	5.34%	33.65%	30.44%	N/A	N/A
Coral Partners VI	7,351,482			-2.08%	-2.08%	0.00%	0.00%	7,734,360			-0.28%	-0.28%	-2.35%	-2.35%	-10.55%	-21.72%	N/A	N/A
Brinson 1998 Partnership Fund	2,881,242			-0.98%	-0.98%	4.02%	4.02%	3,421,229			3.37%	3.37%	2.35%	2.35%	11.61%	9.41%	-7.52%	3.66%
Brinson 1999 Partnership Fund	5,243,041			2.80%	2.80%	2.80%	2.80%	5,100,338			0.48%	0.48%	3.29%	3.29%	16.96%	14.66%	-9.09%	-1.33%
Brinson 2000 Partnership Fund	9,759,231			3.30%	3.30%	3.30%	3.30%	9,447,341			3.01%	3.01%	6.41%	6.41%	13.42%	11.19%	-6.65%	N/A
Brinson 2001 Partnership Fund	5,215,301			1.05%	1.05%	0.42%	0.42%	4,268,312			0.81%	0.81%	1.87%	1.87%	8.79%	6.64%	-2.03%	N/A
Brinson 2002 Partnership Fund	3,282,580			-4.00%	-4.00%	4.58%	4.58%	2,402,968			-4.97%	-4.97%	-8.76%	-8.76%	16.72%	14.42%	N/A	N/A
Brinson 2003 Partnership Fund	520,402			2.02%	2.02%	-0.63%	-0.63%	321,766			-2.71%	-2.71%	-0.74%	-0.74%	-2.69%	-4.63%	N/A	N/A
Brinson 1999 Non-US Partnership Fund	2,978,348			7.91%	7.91%	7.91%	7.91%	2,947,330			5.73%	5.73%	14.09%	14.09%	23.78%	21.09%	8.14%	4.24%
Brinson 2000 Non-US Partnership Fund	3,397,696			2.89%	2.89%	1.57%	1.57%	3,593,731			3.24%	3.24%	6.22%	6.22%	17.95%	15.38%	5.71%	N/A
Brinson 2001 Non-US Partnership Fund	2,561,119			-1.63%	-1.63%	0.07%	0.07%	2,195,090			0.86%	0.86%	-0.79%	-0.79%	19.23%	16.63%	3.39%	N/A
Brinson 2002 Non-US Partnership Fund	4,192,595			6.60%	6.60%	3.86%	3.86%	3,580,902			0.27%	0.27%	6.89%	6.89%	21.31%	18.67%	N/A	N/A
Brinson 2003 Non-US Partnership Fund	1,128,165			-0.78%	-0.78%	-0.78%	-0.78%	773,839			-0.12%	-0.12%	-0.90%	-0.90%	-1.75%	-3.93%	N/A	N/A
Brinson 2004 Non-US Partnership Fund	147,445			-1.76%	-1.76%	-1.76%	-1.76%	150,085			0.09%	0.09%	-1.67%	-1.67%	N/A	N/A	N/A	N/A
Brinson BVCF IV	15,240,101			-0.88%	-0.88%	0.00%	0.00%	16,889,025			6.66%	6.66%	5.72%	5.72%	22.67%	21.17%	-9.85%	-10.01%
Matlin Patterson Global Opportunities	11,370,829			4.11%	4.11%	2.95%	2.95%	16,552,490			-3.26%	-3.26%	0.72%	0.72%	14.70%	13.00%	N/A	N/A
Matlin Patterson Global Opportunities II	8,750,435			-1.12%	-1.12%	8.74%	8.74%	-			N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
InvestAmerica	3,804,507			0.00%	0.00%	0.00%	0.00%	3,804,507			17.28%	17.28%	17.28%	17.28%	3.42%	-7.73%	N/A	N/A
Hearthstone MSII	1			536.18%	536.18%	140.24%	140.24%	433,503			106.69%	106.69%	1214.92%	1214.92%	68.88%	28.64%	20.32%	N/A
Hearthstone MSIII	19,902,850			1.26%	1.26%	0.00%	0.00%	19,655,938			-0.08%	-0.08%	1.18%	1.18%	N/A	N/A	N/A	N/A
TOTAL ALTERNATIVE INVESTMENTS (4)	121,835,339	4.1%	4.8%	3.44%	3.44%	2.63%	2.63%	117,998,847	4.2%	4.8%	3.16%	3.16%	6.71%	6.71%	8.43%	3.03%	-13.22%	-0.85%
CASH EQUIVALENTS																		
Northern Trust STIF/STEP	43,986,298	1.5%	1.5%	0.50%	0.45%	0.19%	0.17%	43,398,683	1.6%	1.5%	0.49%	0.44%	0.99%	0.89%	1.64%	1.44%	1.86%	3.48%
90 Day T-Bill				0.48%	0.48%	0.21%	0.21%				0.37%	0.37%	0.85%	0.85%	0.98%	0.98%	1.71%	3.29%
TOTAL PENSION TRUST	3,008,209,069	100.0%	100.0%	8.41%	8.29%	3.09%	3.05%	2,779,102,499	100.0%	100.0%	0.39%	0.30%	8.83%	8.62%	18.48%	17.79%	4.10%	3.28%
POLICY TARGET BENCHMARK				8.03%	8.03%	2.68%	2.68%				0.82%	0.82%	8.92%	8.92%	16.53%	16.53%	3.75%	2.43%

NOTE: Monthly returns and market values are preliminary and subject to change.

(1) Because each fund within the Pension Trust has a different policy allocation, the consolidated report reflects a weighted average of all of the funds' policy allocations.

(2) This benchmark was changed to the MSCI EAFE (unhedged) as of December 1, 2004.

(3) Previously this benchmark was titled Salomon Brothers Non-US Gov't Bond Index.

(4) Because of the variation in fee calculations in Alternative Investments, only net returns will be shown until June of each year when actual costs are known.